



DEPARTMENT OF ENERGY

[Docket No. 14-179-LNG]

Pieridae Energy (USA) Ltd.; Request for Extension for Long-Term Authorization to Export Liquefied Natural Gas

AGENCY: Office of Fossil Energy and Carbon Management, Department of Energy.

ACTION: Notice of request.

SUMMARY: The Office of Fossil Energy and Carbon Management (FECM) (formerly the Office of Fossil Energy) of the Department of Energy (DOE) gives notice (Notice) of receipt of a request (Request), filed by Pieridae Energy (USA) Ltd. (Pieridae USA) on February 2, 2023, and supplemented on February 3, 2023. Pieridae USA requests an amendment to its existing authorization to export U.S.-sourced natural gas by pipeline to Canada and to re-export such natural gas as liquefied natural gas (LNG) to non-free trade agreement countries set forth in DOE/FE Order No. 3768—specifically, an extension to commence its commercial export operations. Pieridae USA filed its request under the Natural Gas Act (NGA). Protests, motions to intervene, notices of intervention, and written comments are invited.

DATES: Protests, motions to intervene, or notices of intervention, as applicable, and written comments are to be filed electronically as detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov.

Although DOE has routinely accepted public comment submissions through a variety of mechanisms, including postal mail and hand delivery/courier, DOE has found it necessary to make temporary modifications to the comment submission process in light of the ongoing Covid-19

pandemic. DOE is currently accepting only electronic submissions at this time. If a commenter finds that this change poses an undue hardship, please contact Office of Resource Sustainability staff at (202) 586-4749 or (202) 586-7893 to discuss the need for alternative arrangements. Once the Covid-19 pandemic health emergency is resolved, DOE anticipates resuming all of its regular options for public comment submission, including postal mail and hand delivery/courier.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

On February 5, 2016, DOE issued DOE/FE Order No. 3768,¹ authorizing Pieridae USA to export natural gas from the United States to Canada and, after liquefaction in Canada, to re-export the U.S.-sourced natural gas in the form of LNG by vessel from the proposed Goldboro LNG Project (Project), to be located in the Municipality of the District of Guysborough, Nova Scotia, Canada, to any country with which the United States has not entered into a free trade agreement (FTA) requiring national treatment for trade in natural gas, and with which trade is not prohibited

¹ *Pieridae Energy (USA) Ltd.*, DOE/FE Order No. 3768, Docket No. 14-179-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export U.S.-Sourced Natural Gas Natural Gas by Pipeline to Canada for Liquefaction and Re-Export in the Form of Liquefied Natural Gas to Non-Free Trade Agreement Countries (Feb. 5, 2016), <https://www.energy.gov/sites/prod/files/2016/02/f29/ord3768.pdf>.

by U.S. law or policy (non-FTA countries).² Pieridae USA is authorized to re-export the U.S.-sourced natural gas in the form of LNG to non-FTA countries in a volume equivalent to 292 billion cubic feet per year (Bcf/yr) of natural gas for a term of 20 years to commence from the date of first commercial re-export, but not before.³

As relevant here, Order No. 3768 requires Pieridae USA to “commence re-export operations using the planned liquefaction facilities no later than seven years from the date of issuance of this Order”—*i.e.*, by February 5, 2023.⁴ In the Request, Pieridae USA asks DOE to extend this commencement deadline to February 5, 2028, “such that the term of [the non-FTA] authorization would begin on the earlier of the date of first commercial export or February 5, 2028.”⁵

In support of this Request, Pieridae USA states that the Project’s timeline was pushed back due to its unsuccessful, costly and time-consuming engagement with several internationally regarded LNG engineering, procurement, and construction (EPC) companies in undertaking the necessary steps to enter a lump sum turnkey EPC and commissioning contract for the Project, in addition to the “unprecedented COVID-19 pandemic which offered its own additional and significant impacts on the Project’s ability to move forward.”⁶ Pieridae USA states that it engaged further a EPC company to review and revise the design to a more modularized Project.⁷ According to Pieridae USA, the revised design, completed in January 2023, is in line with many recent US LNG export projects based on a smaller scale modularized approach.⁸ Pieridae USA states that it is now ready to progress this concept in the realization of the Project.⁹ Pieridae USA asserts that granting the requested extension of time will enable Pieridae USA to complete the necessary detailed design,

² 15 U.S.C. 717b(a).

³ See *Pieridae Energy (USA) Ltd.*, DOE/FE Order No. 3768 at 227 (Ordering Para. A).

⁴ *Pieridae Energy (USA) Ltd.*, DOE/FE Order No. 3768, at 228 (Ordering Para. D).

⁵ Pieridae Energy (USA) Ltd., Request for Extension for Long-Term, Multi-Contract Authorization to Export U.S. Sourced Natural Gas by Pipeline to Canada for Liquefaction and Re-Export in the Form of Liquefied Natural Gas, Docket Nos. 14-179-LNG, at 1 (Feb. 2, 2023) [hereinafter Request]. The Request also applies to Pieridae USA’s existing FTA orders in Docket Nos. 14-179-LNG, but DOE will address that portion of the Request separately pursuant to NGA section 3(c), 15 U.S.C. 717b(c).

⁶ Request at 3.

⁷ Request at 3.

⁸ Request at 3.

⁹ Request at 3-4.

engineering and costing work in order to commence construction and place the Goldboro LNG Project into service.¹⁰ Pieridae USA states that “[t]he only change to the Project [from the original Application] will be the use of ten smaller modularized liquefaction trains versus the two larger liquefaction trains.”¹¹ Additional details can be found in the Request, posted on the DOE website at: www.energy.gov/fecm/articles/pieridae-energy-usa-ltd-fe-dkt-no-14-179-lng.

DOE Evaluation

In reviewing Pieridae USA’s Request, DOE will consider any issues required by law or policy under NGA section 3(a). To the extent appropriate, DOE will consider the study entitled, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (2018 LNG Export Study),¹² DOE’s response to public comments received on that Study,¹³ and the following environmental documents:

- *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014);¹⁴
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States*, 79 FR 32260 (June 4, 2014);¹⁵ and
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update*, 84 FR 49278 (Sept. 19, 2019), and DOE’s response to public comments received on that study.¹⁶

Parties that may oppose the Request should address these issues and documents in their comments and/or protests, as well as other issues deemed relevant to the Request.

¹⁰ Request at 3-4.

¹¹ Request at 4.

¹² See NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018),

<https://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf>.

¹³ U.S. Dep’t of Energy, *Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study; Notice of Response to Comments*, 83 FR 67251 (Dec. 28, 2018), <https://www.govinfo.gov/content/pkg/FR-2018-12-28/pdf/2018-28238.pdf>.

¹⁴ The Addendum and related documents are available at <https://www.energy.gov/fecm/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

¹⁵ The 2014 Life Cycle Greenhouse Gas Report is available at <https://www.energy.gov/fecm/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>.

¹⁶ U.S. Dep’t of Energy, *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States: 2019 Update – Response to Comments*, 85 FR 72 (Jan. 2, 2020). The 2019 Update and related documents are available at <https://fossil.energy.gov/app/docketindex/docket/index/21>.

The National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its environmental responsibilities.

Public Comment Procedures

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable, addressing the Request. Interested parties will be provided 30 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention. The public previously was given an opportunity to intervene in, protest, and comment on Pieridae USA's prior non-FTA applications in Docket No. 14-179-LNG. Therefore, DOE will not consider comments or protests that do not bear directly on this Request.

Any person wishing to become a party to this portion of the proceeding evaluating Pieridae USA's Request must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Request will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Request. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR part 590, including the service requirements.

As noted, DOE is only accepting electronic submissions at this time. Please email the filing to fergas.hq.doe.gov. All filings must include a reference to "Docket No. 14-179-LNG" or "Pieridae Energy (USA) Ltd. Request for Extension" in the title line.

Please Note: Please include all related documents and attachments (*e.g.*, exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner.

The Request and any filed protests, motions to intervene, notices of interventions, and comments will also be available electronically by going to the following DOE Web address: www.energy.gov/fecm/regulation.

A decisional record on the Request will be developed through responses to this Notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Order may be issued based on the official record, including the Request and responses filed by parties pursuant to this Notice, in accordance with 10 CFR 590.316.

Signed in Washington, DC, on March 23, 2023.

Amy Sweeney,
Director, Office of Regulation, Analysis, and Engagement,
Office of Resource Sustainability.

[FR Doc. 2023-06509 Filed: 3/28/2023 8:45 am; Publication Date: 3/29/2023]